

Mr. President, I now wish to speak about George O'Connor. Many who are in the energy field not only here in the Senate but across the United States know George O'Connor. He has served with me as counsel, on the Energy and Natural Resources Committee for a good number of years. He came to this city as a lawyer in 1980, working for the Stein, Mitchell & Mezines law firm as a litigator. He specialized in administrative law litigation before the Federal Trade Commission. He became a trial attorney for the Federal Energy Regulatory Commission's Office of General Counsel in the Division of Hydroelectric Licensing in 1982.

He worked then as a legal advisor to FERC Commissioner Charles A. Trabandt from 1985 until 1993 and was responsible for environmental issues associated with energy projects. He returned to the FERC's Office of General Counsel until 1997.

In 1998, George joined my staff as a fellow, and it was not long before I realized I needed his talent on a full-time basis in the area of energy and natural resources. In the year 2000, he became directly involved with me and has worked in that capacity for a tremendous number of years. I must say that both George and I, at the close of the session for the August recess and the passage of the National Energy Policy Act, saw that as not only a culmination of a great career here in the Senate for George O'Connor but a substantial success for myself and other members of the Energy Committee who were much involved in that.

George has worked a total of 24 years in the Federal Government, and a total of 8 years in my office. I say, without question, I am going to miss George O'Connor. He is retiring to go downtown to do other things, and I am sure he will be back here when we need him helping us with his expertise and his talent. He is well known by all who associate with him as a tough but very fairminded and talented man.

I must say that George O'Connor has served my State of Idaho well, has served the Pacific Northwest well, where hydro is still a dominant producer of our electricity, and has served this Nation and the Senate well.

My hope for George O'Connor and Damon Tobias is that in their next life, which they are now about to assume, they will do well and be as successful in it as they have been as very talented and capable staffers here in the Senate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

HONORING CHIEF JUSTICE  
WILLIAM H. REHNQUIST

Mr. GREGG. Mr. President, I wish to join with all my colleagues and with America in expressing our condolences to the Rehnquist family and, obviously, our great appreciation for his extraordinary service to this Nation. I hope at a later date to put in a more

extensive statement. He was a man whose commitment to the law was exceptional, but his commitment to the country was even higher. We are very fortunate to have had him as our Chief Justice and as a Justice on the Supreme Court for so long.

RECONCILIATION INSTRUCTIONS

Mr. GREGG. I rise today basically to speak about another issue, and that is a letter which I have received as chairman of the Budget Committee and which was sent to the majority leader, the Speaker of the House, and the chairman of the Budget Committee on the House side by the leadership of the Democratic membership of the Senate and the House—Congresswoman PELOSI; JOHN SPRATT, who is ranking member on the House Budget Committee on the Democratic side; Senator REID, who, of course, is the Democratic leader; and KENT CONRAD, who is the ranking Democratic member of the Budget Committee.

The letter asks that we indefinitely postpone reconciliation, reconciliation being the mechanism by which we address the entitlement spending and tax policy here at the Federal level. It is an outgrowth, of course, of the budget process.

Now, the letter itself, if I can look at it, although I can hardly see it—I wish they would send these letters in larger fonts so those of us getting older would not have to take out our glasses to read them. But, in any event, the letter itself is structured in a way to assert a number of items, boldly assert items which essentially are inaccurate. In fact, the boldness of these inaccuracies is such that it would be humorous if they were not going to, I am sure, become part of the nomenclature of the left in the country and, indeed, be carried forth by the echo chambers, such as National Public Radio, which speaks for the left.

But their language says this:

Now is not the time to cut services for our most vulnerable, cut taxes for our most fortunate, and add \$35 billion to the deficit.

That is the basic theme of the letter.

If allowed to go forward, this bill—

They are talking about the reconciliation bill—would likely cut programs that many victims of Hurricane Katrina will be relying on, including Medicaid, food stamps, and student loans.

Those two statements are, as I said, boldly inaccurate and reflect a failure to accept history and a failure to look at the specifics of the reconciliation bill as it passed the Senate.

Now that does not surprise me. I have to admit, and the folks who signed this letter readily admit, they did not vote for the budget when it first passed 8 months ago or 7 months ago, however long ago, 6 months ago. When it first passed, these four individuals and their caucuses strongly opposed putting in place here in the Congress a budget

that had fiscal discipline, and they voted against it. So it should not come as a surprise and this letter should not come as a surprise that they are still against it and they still want to indefinitely postpone the key mechanisms which will make this budget effective.

But what is a little surprising is that they would assert such inaccuracies in their letter. Let's begin with the tax inaccuracy. They must be ignoring or they must not just look at history. They must not look at the history of the Kennedy tax cuts and the Reagan tax cuts, and most recently the George W. Bush tax cuts because one thing we proved beyond any reasonable doubt is that when you significantly cut taxes on the productive side of the American economy, you create economic activity, and as a result, you create jobs and you give people work and you create revenues for the Federal Government.

The numbers are incontrovertible. In the last 3 years, revenues have been jumping dramatically relative to the base we hit as a bottom as a result of the recession we experienced as a result of the bubble bursting, the Internet bubble of the 1990s, and the effects of 9/11. In fact, 2 years ago revenues jumped by 9 percent.

This year, revenues are literally going to jump by more than that. The revenue projections for the next few years are projected to increase by 7 percent, 6 percent, 7 percent. And the deficit has dropped by over \$150 billion from the original estimates purely as a result of economic activity that has been stimulated in large part because we have reduced the tax burden on the productive side of the ledger and created an incentive for people to go out and invest. As a result, there is an incentive for people to create jobs.

We had some of the best job creation in the history of this country over the last 2 years. As a result, people are paying taxes and revenues are going up. It is totally ignored and misrepresented in this letter. More specifically, and I think the thing that I find most unreasonable about the terms of this letter—or, as I say, most boldly inaccurate—is its representation that the reconciliation instructions, as they relate to the mandatory accounts, will somehow affect programs that benefit people relative to the problems which we have in the South today as a result of Hurricane Katrina. Nothing could be further from the truth, be more inaccurate, or be more of an attempt to use the trauma and tragedy of Katrina to assert a political agenda here in the Congress of the United States, which they have been trying to assert, as I said, since they voted against that budget 6 months ago. The two have no substantive relationship, but there is an attempt now to use the political arena to try to link them up.

The fact is that the reconciliation instructions in this bill will in no way reduce student loans. In fact, the committee which has jurisdiction over this issue, under the extraordinarily able

leadership of Senator ENZI, is proposing a bill which will expand rather aggressively student loans, while saving money for the Federal taxpayer by addressing excesses in the lending community.

In fact, the proposal from the HELP Committee will increase Pell grants, will increase the availability of loans to students, and will reduce the interest rates on those loans. If we do not go forward with reconciliation and use reconciliation as a vehicle to protect this higher education initiative that comes out of the HELP Committee, we will actually end up increasing the costs to students. This letter is totally and obscenely inaccurate on that point.

It is equally inaccurate on the issue of pensions. Without reconciliation instructions on pensions, we are going to see more and more companies thrown into bankruptcy. As a result, the taxpayers are going to have to pick up the pension obligations of those companies. The people who benefit from those pensions are going to see their pensions dramatically reduced because, under the bankruptcy rules, you can significantly cut your pension liability. But if we correct the pension laws and if we use reconciliation to increase the premium cost of the pensions, which will be paid primarily by the corporations, we will be able to save some of the pensions which are now in dire straits.

The only way we can do this is probably through reconciliation. So if you don't have reconciliation, you are going to see more companies going into bankruptcy. You are going to see more pensions being wiped out. And you are going to see more employees—who have worked their whole life, invested in their company—find that that pension, which they thought they had, is actually going to be cut, if you follow the thought process which is being proposed here by the Democratic leadership of the Senate and the House of Representatives and which is totally the opposite of what their language in this letter talks about.

It is a total inaccuracy; 180 degrees different from the actual language of this letter will occur. People will lose their pensions. The cost to the American taxpayer will go up if we do not have reconciliation dealing with pensions.

The third area which this language talks about is Medicaid. Let's talk about Medicaid. The reconciliation instructions suggest that we reduce the rate of growth in Medicaid over the next 5 years from 41 percent to 40 percent. It was originally going to be back to 39 percent, but we went from 41 percent to 40 percent, a \$10 billion reduction in the rate of growth—not in spending increases, in rate of growth, not a cut, on a \$1.3 trillion base. In other words, we are going to spend \$1.3 trillion on Medicaid over the next 5 years. What we asked in the budget was that we slow that rate of growth by 1 percent. We let it grow by 40 per-

cent over the next 5 years instead of 41 percent or \$10 billion.

And how was that going to be accomplished? It was going to be accomplished in concert with the Governors who are going to get much more flexibility in the way that they deliver the Medicaid services. Almost every Governor who came to us said: We will be able to deliver better services and cover more people if we get this flexibility than if we don't get the flexibility. As a result, we can certainly handle the 1-percent slowing of rate of growth of increase in exchange for getting the flexibility which will give us the capacity to cover more people. Dramatically more people will be covered if we use our reconciliation vehicle to change the law so that Governors don't have to go through all the hoops they have to go through today in order to address Medicaid, so that we don't have people defrauding the system as we have today but, rather, have a system that is honest and covers people who need to be covered. But you can't get there from here unless you use reconciliation because you can't pass a bill in this Senate with 60 votes. You can't get 60 votes because the party on the other side of the aisle simply refuses to do anything constructive in this area, and they have talked walked away from the table. So you need reconciliation protection. In fact, there will be no services cut.

To tie it into Katrina is so gross in its representation as to its inaccuracy as to be beyond blatant politics. The simple fact is, the reconciliation instructions assume no savings in Medicaid over the next year. All the savings come in years two, three, four, and five. Obviously, most all the spending for the Katrina situation is going to occur in the next year. To tie it into Katrina is absurd.

This letter is not surprising because it comes from people who oppose discipline in the budget to begin with, but its assertions are, even by the standards of politics in this body, bold in their inaccuracy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

#### HONORING CHIEF JUSTICE WILLIAM H. REHNQUIST

Mr. BROWNBACK. Mr. President, I rise to pay tribute to William Rehnquist, 16th Chief Justice of the United States. That is the title, Chief Justice of the United States. While the ceremony honoring him goes forward I think it is appropriate that we in this body recognize his incredible service to the Nation. His biography, where he came from and what he did, has been spoken of a great deal. What I wanted to speak about is not only that, but also his personal impact on me, one that he wouldn't have known or known about.

As a young law student in the early 1980s at the University of Kansas, I can

remember studying constitutional law and other areas where his opinions came forth. Frequently, in those days he was in the minority opinion role.

Many of my law school professors would say: Can you believe what this guy wrote? I remember reading his opinions and thinking his opinion seemed very logical. It seems to me, he believed in holding with the great traditions of being a nation of the rule of law, not the rule of man. The Constitution is a textual document. Chief Justice Rehnquist had a big impact on me in his writings and what he believed we stood for as a nation. He has had a big impact on this Nation, and he will be sorely missed.

He was genteel in all of his dealings. Even when he presided in the Senate over the impeachment trial for President Clinton, he did so in a very stately, gentle fashion. Just his presence was one of a man at peace with himself, who knew what he was about, and knew his role and his duty. He fulfilled his duty to the best of his abilities as Chief Justice, Associate Justice on the Supreme Court, as presiding over an impeachment trial, and working with clerks.

I think one of most telling things for an individual is what the people say that worked for you, and particularly those who worked for you perhaps in a lower capacity. It seems uniform that the clerks for Chief Justice Rehnquist admired the man while they worked for him. It is a tribute to him how well they worked together and how he helped form them. There is a great symmetry about this in John Roberts being nominated now, as a former clerk of Chief Justice Rehnquist, and now nominated to fill the vacancy on the Supreme Court left by his former boss. John Roberts is an outstanding nomination to the Chief Justice position. I hope we can move forward with in an expeditious fashion, certainly thorough, but in an expeditious fashion.

That is not what we are here today to talk about. Today it is to talk about and to reflect upon an amazing American in William Rehnquist. He grew up in the suburbs of Milwaukee, WI. His father was the son of Swedish immigrant parents, worked as a paper salesman. His mother was a multilingual professional translator. Shortly after graduation from high school, Chief Justice Rehnquist enlisted in the Air Force and during World War II served as a weather observer in North Africa. On completion of his service in the Air Force, the Chief Justice began his undergraduate work at Stanford University. Yes, he did it on the GI bill.

In 1952, Rehnquist graduated first in his class from Stanford Law School, certainly a monumental accomplishment, an accomplishment of great discipline. Following law school, he clerked for former Supreme Court Justice Robert Jackson. In 1953, he began work at a law firm in Phoenix, and his brilliance was noted by the Nixon Deputy Attorney General at that time,